

Gove County

Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/26/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 15 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Gove County economy.¹

These 15 sectors have a total direct output of approximately **\$156.1 million** and support **593 jobs** in Gove County. Running the model for all 15 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Gove County Economy					
Contribution Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵
Direct Effect	593.0	25.74%	\$37,286,035	22.55%	\$156,119,641
Indirect Effect	125.8	5.46%	\$12,870,090	7.78%	\$23,224,292
Induced Effect	40.8	1.77%	\$3,699,516	2.24%	\$6,249,443
Total Effect	759.6	32.97%	\$53,855,641	32.56%	\$185,593,376

As shown in the above table, agriculture, food, and food processing sectors support **760 jobs**, or **32.97%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 15 agriculture, food, and food processing sectors is approximately **\$53.9 million**, or **32.56% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **394 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Gove County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	394.3	\$87,910,288
Support activities for agriculture and forestry	82.8	\$5,436,814
Grain farming	79.7	\$50,158,909
Wholesale trade	32.4	\$6,870,521
Truck transportation	21.1	\$3,656,718
Monetary authorities and depository credit intermediation	16.3	\$3,038,770
All other crop farming	10.2	\$1,325,145
Accounting, tax preparation, bookkeeping, and payroll services	9.4	\$406,843
Real estate	9.3	\$1,198,577
Animal, except poultry, slaughtering	9.0	\$5,994,373

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$87.9 million** to the Gove County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	394.3	\$87,910,288
Grain farming	79.7	\$50,158,909
Wholesale trade	32.4	\$6,870,521
Animal, except poultry, slaughtering	9.0	\$5,994,373
Support activities for agriculture and forestry	82.8	\$5,436,814
Truck transportation	21.1	\$3,656,718
Petroleum refineries	0.1	\$3,048,441
Monetary authorities and depository credit intermediation	16.3	\$3,038,770
Oilseed farming	1.1	\$1,946,485
Dairy cattle and milk production	5.2	\$1,592,207

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Gove County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	1.1	\$1,946,485.28
Grain farming	79.7	\$50,158,908.84
Greenhouse, nursery, and floriculture production	3.4	\$337,561.13
All other crop farming	10.2	\$1,325,144.65
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	394.3	\$87,910,285.95
Dairy cattle and milk production	5.2	\$1,592,207.43
Poultry and egg production	0.0	\$21,776.34
Animal production, except cattle and poultry and eggs	1.0	\$164,695.13
Commercial logging	1.4	\$36,369.70
Commercial hunting and trapping	1.3	\$26,075.13
Support activities for agriculture and forestry	82.8	\$5,436,814.31
Animal, except poultry, slaughtering	9.0	\$5,994,372.84
Bread and bakery product, except frozen, manufacturing	0.9	\$209,289.83
Farm machinery and equipment manufacturing	1.5	\$880,429.51
Veterinary services	1.1	\$79,223.28

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Gove County, the retail sector was omitted.